Tuesday 25 October 1983

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### **Special Analysis**

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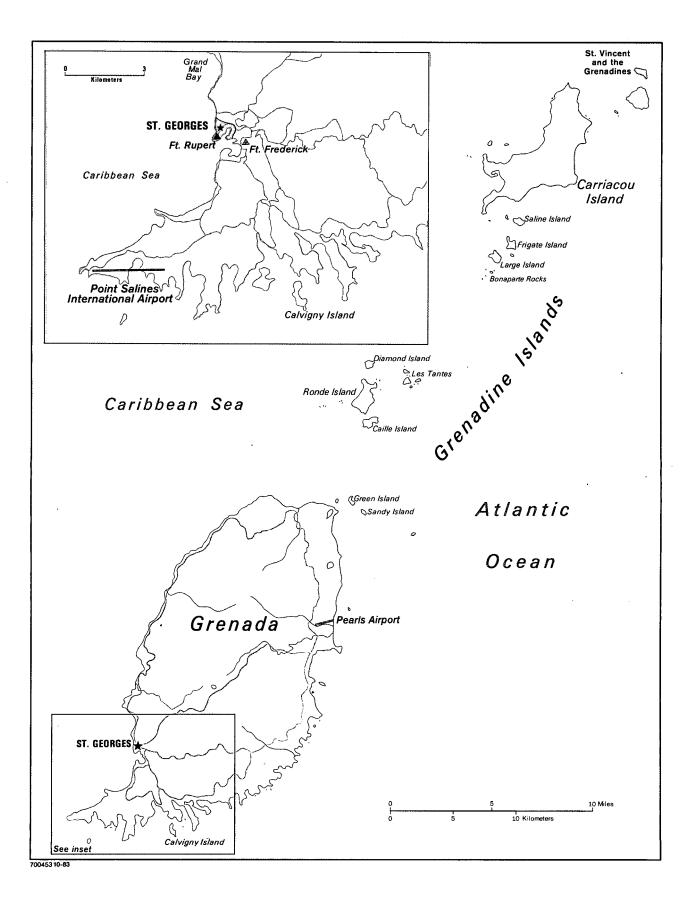
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	<b>LEBANON: French Policy Con</b>	cerns		
	(Information as of 0	100 EDT, 25 October 1983	3)	
	President Mitterrand's trip in French officials show resolve to Paris will be reluctant to expaning Multinational Force contingent.	o keep French forces in Lei <u>d the scope or miss</u> ion of i	banon, but	25X1
	mullinational Force contingent.			23/1
•	French Prime Minister Mau echoed Mitterrand's support fo assurances that France will kee Only Foreign Minister Cheysso	or President Gemayel and t ep its peacekeeping force i	his in Beirut.	
	considered remarks, has hinted The Communist Party, the junionly political party calling for a	d that Paris might reconsid or partner in the ruling coa	er its policy.	25 <b>X</b> 1
	Both Italian Prime Minister have stated publicly that Rome of the terrorist attacks in Beiru	will not withdraw its troop		25 <b>X</b> 1
	Spadolini did, however, inc of the Lebanese reconciliation before making a final decision The decision would include the in the proposed observation fo	talks scheduled to begin n on its long-term presence possibility of participa <u>tion</u>	ext Monday in Lebanon.	25X1
	Italian Foreign Minister And involvement in the truce observed should not be subjected to risk Greek Government also indicated to the observation	vation force, saying that Ita is. According to press according to the that it will reconsider it	alian troops ounts, the is	
		-	-	25 <b>X</b> 1
,	The UK, in a statement to the Secretary Howe, pledged to perforces commander General Kits of the situation. The British have they want "urgent consultation Multinational Forces.	rsevere in Lebanon. It is se son to Beirut for a first-han re told the US Embassy in I	ending land d evaluation London that	
	<b>Comment</b> : The French have positioning their troops to avoin Syria, Israel, and the PLO to referench support Gemayel as a p	d conflicts, in hopes of end move troops from the cou	couraging ntry. The	25 <b>X</b> 1
	are trying to avoid favoring any		u y, and they	25X
			continued	
				25 <b>X</b> 1
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An expansion of the French force would undermine these goals,	
and increased French patrolling would not be likely to stop suicidal attacks. The French also are aware that the Syrians distrust them and	
would object to increased troop levels or operations outside the capital. For these reasons, the French would prefer to expand the role	
of the UN in the peacekeeping force rather than increase their own participation.	25 <b>X</b> 1
Paris may conclude that the attack on its troops Sunday was not	
strictly related to Lebanon. If Iranian involvement is proved, the French are likely to interpret the bombing as retaliation for their increasingly event approximately provided the second	
more troops to Lebanon when French interests elsewhere, such as	25V4
Iraq, are threatened.	25 <b>X</b> 1
Italy and the UK are unlikely to withdraw their contingents in the immediate future, because both countries would be sensitive to	
charges they have backed away from their commitments.	25 <b>X</b> 1
Nevertheless, the Italian, British, and French Governments had	
previously been giving serious joint consideration to a reduction of	
their presence in Lebanon. Once the current crisis ebbs, they may	
begin again to discuss possible means—such as the introduction of a UN peacekeeping force—to extricate themselves from what they view	
as a hopeless situation.	25 <b>X</b> 1

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A nonscheduled Cubana Airlines AN-26 aircraft flew from Cuba to Grenada yesterday. According to one of the US official visitors, eight passengers got off and were met by the Cuban Ambassador's car and two other vehicles.

**Comment**: The Cuban aircraft that arrived in Grenada yesterday may have carried a delegation to ascertain the new regime's intentions and perhaps make contingency plans for the possible evacuation of the approximately 400 Cubans from the island.

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Prospects for Instability	
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Grenada faces additional instabi	
the island's economy will be devastated by the lo	
the trade sanctions imposed by the Caribbean Comm	
denial of access to the facilities of the Eastern Caribb	pean Central
Bank.	25 <b>X</b> 1
	25X1
almost all of the members of the 16-member military	
leading parts in the military coup of 1979 that brough Minister Bishop to power. Following the coup, these is	
became the nucleus of the Peoples' Revolutionary Arr	
most of the leaders have reputations for	
three have been accused of torturing prisoners.	25X1
	_
The information indicates that President of the M	
Austin may be only a figurehead chairman of the couthree principal leaders—James, Layne, and Cornwall	
as intelligent, ambitious, and ruthless.	the three 25X1
may well remove Austin when he has exhausted his us	
,	
Jamaica's Manley Reacts	
•	aday of the
The former Prime Minister of Jamaica and the lead opposition party there, Michael Manley, issued a stro	
statement last week condemning the Grenadian Milit	
behalf of his Socialist International-affiliated party, M	
relations with the Grenadian leadership's party and re	
that the Socialist International organization do so als	o. 25X1
The Jameiran Japan was date into a track to the track	ation of
The Jamaican leader urged the international isola Grenada's new ruling regime, but warned against fore	
According to Havana Radio, Manley has congratulate	
Government for its position of noninterference in the	
Comment: Manley's tough stand against the Gre	
regime reflects the personal revulsion of most region	
probably was designed also to increase his own imag	ge at nome.

**Comment**: Manley's tough stand against the Grenadian military regime reflects the personal revulsion of most regional leaders, but probably was designed also to increase his own image at home. Manley was closely aligned with Havana during his tenure as Prime Minister, and he is now attempting to play down his radical ties to improve his reelection prospects.

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Manley's close ties with President Castro suggest he may have consulted with the Cubans prior to his condemnation of the new Grenadian rulers. Although Havana has refrained from taking a similar position so far, Manley's stand probably will influence Havana's policy and make it more difficult for Cuba to come to Grenada's assistance.

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#### **Soviet Statement**

The USSR charged yesterday that the US is "organizing broad armed interference in Grenadian affairs." A TASS commentator observer called this "an extremely dangerous venture" that menaced Latin American peace and could further worsen the international situation. The commentary said recent developments in Grenada were "strictly internal affairs." Moscow so far has avoided characterizing the new regime.

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rday that ctical'' missiles pability that the I as SS-23s, deployments.	25 <b>X</b> 1
d Radio with East d in those German nment also s identified the	
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elearly	25 <b>X</b> 2
22 or the tical'' missile isions in East	25X1
lace the t require the lowever, might t Germany and of over 900	
SSR.	25 <b>X</b> 1

# USSR-EASTERN EUROPE: Nuclear Missile Deployments

The Soviet Defense Ministry's announcement yesterday that preparations have begun for deploying "operational-tactical" missiles in East Germany and Czechoslovakia increases the probability that the Soviets plan to move SS-12/22 ballistic missiles, as well as SS-23s, into Eastern Europe as one response to the NATO INF deployments.

The announcement, which was carried by TASS and Radio Moscow, said that an understanding had been reached with East Germany and Czechoslovakia and that work had started in those countries in preparation for the deployments. The East German National Defense Council and the Czechoslovak Government also made similar announcements. All of the announcements identified the measure as a response to the NATO preparations.

**Comment**: Use of the term "operational-tactical" clearly indicates that the Soviets were referring to the SS-12/22 or the SS-23. The term would not apply to the SS-21—a "tactical" missile already fielded with more than half of the 19 Soviet divisions in East Germany.

Deployment of the SS-23, which is designed to replace the Scud-Bs already in Eastern Europe, probably would not require the permission of the host country. Fielding the SS-12/22, however, might have required negotiation of a new agreement with East Germany and Czechoslovakia. This missile has an operational range of over 900 kilometers and has never been deployed outside the USSR.

A recent claim by sources in the Hungarian Foreign Ministry that their government persuaded the Soviets not to deploy new missiles on Hungarian soil as part of the countermeasures to NATO deployment also would be consistent with sending SS-12/22s to East Germany and Czechoslovakia, but not Hungary. Budapest is not likely to have objected to Moscow's already planned replacement of the short-range missiles with SS-21s or SS-23s, but it is plausible that Hungary persuaded the USSR not to field a longer-range system.

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Deployment of SS-12/22s in Eastern Europe would give the Soviets a program they could cancel as part of a settlement with the US. They could do so without affecting their future replacement of the Scud with the SS-23.

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PAKISTAN: Zia's Tough Stand		
President Zia reiterated on Saturday that he will not comwith the opposition coalition, which continues to sustain agit		
Sind Province.		25 <b>X</b> 1
Zia, in a speech to the Federal Advisory Council, charge center-left Movement for the Restoration of Democracy is to seize the victory it cannot win at the polls and that the disturbind are the work of a small minority aided by foreign countries.	rying to bances in tries. Zia	
denied <u>his talks with co</u> nservative and religious politicians a factics.	re stalling	25 <b>X</b> 1
The President also said he has not decided when to hole elections or whether to permit the parties to participate. He nowever, that the concept of a ruling party and an opposition	added,	
contrary to Islam.	711 10	25 <b>X</b> 1
Anti-Zia agitation remains centered in Sind, although no noidents have been reported since Wednesday.	serious	25X
		25X
<b>Comment</b> : Zia's hard line will be particularly disappoint Sindhis, and it almost certainly rules out an early end to the Although Zia has left open the possibility of compromise, his declaration that partisan politics is un-Islamic would appear undercut negotiations. Even politicians on the right who see	unrest. s to	
willing to compromise than those in the Movement for the Re of Democracy are likely to find the President's stance unacc	estoration	
Zin'o holiof that India and the UCCD are trained to see 12	. Alb'o	25 <b>X</b> 1
Zia's belief that India and the USSR are trying to exploit unrest probably has increased his resolve not to give in to the opposition. Although educated Pakistanis will be skeptical coloring that outside forces are adding to the unrest, most Pur	he of Zia's	
ikely to rally behind Zia in the face of Indian meddling.	IJANIS AI C	25X1 25X1

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NETHERLANDS: Controversy Over Nuclear Weapons		
The Dutch cabinet continues to be split on how far to for a reduction in the Netherlands' nuclear roles, but Prim Lubbers is trying to suppress dissent in the interest of Alli	ne Minister	
Defense Minister de Ruiter sought cabinet authority la make public his dissatisfaction with the report on nuclear to be submitted to Alliance Defense Ministers tomorrow be High-Level Group, according to the US Embassy. Lubber de Ruiter and noted that the report is a substantial move direction.	reductions by the NATO s overruled	
The report recommends that NATO reduce or eliminal demolition munitions and the Nike-Hercules surface-to-ai cabinet discussions earlier this year, Lubbers and Foreign van den Broek had advocated the reduction of these two roles, and de Ruiter wanted these plus 8-inch nuclear arti	ir missile. In n Minister nuclear illery and	
Comment: Most Dutch politicians, including Lubbers reductions in nuclear tasks as a tradeoff for INF basing. D taken the strongest antinuclear stance within the cabinet, reduction of Dutch nuclear roles and on INF. In public, he subordinates his views to the cabinet consensus.	, see De Ruiter has Doth on the	
If de Ruiter comes to believe that the government is reconsidering his opinions on what he sees as a "moral issue however, he might resign and become an active opponent deployment. This could invite other Christian Democrats antiquelear left wing to defect from the coalition and jeon	ue,'' It of INF from the	

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prospects for final approval of INF basing.

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# **CHINA: Strains Within the Leadership**

Recent reports suggest strains are developing in the relationship	
between Deng Xiaoping and his political heir, Hu Yaobang.	25X1
Deng is dissatisfied with Hu's conduct as party General Secretary. Hu is said to exceed frequently his authority in public statements, to have caused	25X1
bureaucratic discord through disregard for established procedures, and to display lapses in judgment. Deng may now be	e 25X1
questioning his decision to back Hu as China's future leader.	25X1
	25X1
Hu—like Deng—is abrasive, combative, and impulsive. He is not	
widely admired by the Chinese.	25X1
<b>Comment</b> : Reports of high-level friction are not unusual. Although Hu may be experiencing the roughest period in his long relationship with Deng, he also certainly is not in ieopardy of being replaced as party General Secretary.	25 <b>X</b> 1
During the past two years, Hu—with Deng's help—has made substantial progress toward establishing a firm base of political support by placing loyal followers in key positions. China in recent years has repeatedly boasted of its political stability, and Deng would want to avoid the political damage at home and abroad that would accompany a succession crisis	I 25X1
Nevertheless, no modern Chinese leader has succeeded in creating durable succession arrangements. Once an heir is named, he becomes a political target for others in the leadership. Strains also may result from the heir's impatience to assume power or from the	
senior leader's unwillingness to yield authority.	25X1

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### **EC: Disagreement Over Industrial Policy**

West Germany's rejection of France's proposals for an EC-wide industrial policy that includes protectionist measures indicates that future EC debate over this issue will become increasingly contentious. 25X1 25X1 25X1 The French want significant but temporary increases in EC external tariffs on finished products, accompanied by greater constraints on using imported components in products assembled in the EC. The proposal reflects the emphasis in French policy on substantial government involvement in the development and direction of industry and its acceptance of limited competition between firms. 25X1 Chancellor Kohl expressed fears at the cabinet meeting that such attempts to close EC markets would aggravate current strains with the US over the Community's agricultural policy. Economics Minister Lambsdorff criticized the French plan as just another way for Paris to get more money out of EC coffers. 25X1 **Comment:** The West German cabinet debate reflects the growing interest in developing an industrial policy for the EC. Although it is rejecting the French proposal, Bonn has reacted more favorably to a British paper advocating a free market approach to industrial policy and less reliance on EC funding. 25X1 The French believe that emerging West European hightechnology industries—particularly their own—can compete only within a protected and regulated EC market sheltered from US and Japanese competition. Paris continues to push its EC partners to

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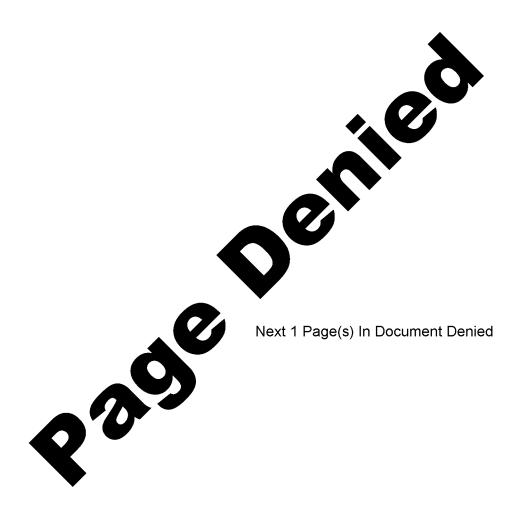
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work out a common industrial policy, and it probably will intensify its

efforts upon assuming the EC presidency in January 1984.

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	CENTRAL AMERICA: Peace Negotiations	
	Foreign Ministers of the Contadora nations—Mexico, Venezuela, Colombia, and Panama—have approved three draft treaties for submission to the Central American countries. Panamanian Foreign Minister Ortega says the ministers, during their meeting in Panama over the weekend, prepared preliminary versions of a general Central American peace treaty and of bilateral agreements between Nicaragua and Honduras and between Nicaragua and Costa Rica. The Contadora Vice Foreign Ministers are to meet in Panama next week to revise the drafts based on Central American reactions and to work on three additional treaties on reductions of arms, foreign military advisers, and military forces. The Contadora countries plan to call for a meeting with the Central Americans to take place next month during the OAS General Assembly session.  Comment: Nicaragua probably will support the bilateral treaties, but it will insist that the additional agreements address the situation in El Salvador. The other Central American countries are likely to resist bilateral agreements unless they are assured of verifiable multilateral arrangements to limit Nicaragua's arms buildup and support for revolutionaries in the region.	25X1 .25X1
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## Special Analysis

#### **EUROPE: Prospects for Disarmament Conference**

Delegations from 35 European nations meet today in Helsinki to begin negotiations on procedure for the Conference on European Disarmament, which is scheduled to begin 17 January in Stockholm. As in the recently concluded CSCE meeting in Madrid, participants will negotiate as blocs—West, East, and neutral and nonaligned. None of the blocs evidently have coordinated positions on procedure. In addition, they have just begun to address seriously the confidence and security building measures, which are to be the basis of discussions in Stockholm. The Soviets and their allies almost certainly will exploit the Helsinki Conference to assail NATO's INF plans, and it may thus prove difficult to settle procedural matters within the three-week deadline.

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CSCE participants agreed to hold the first phase of a European Disarmament Conference to negotiate confidence and security building measures that are "militarily significant, politically binding, and verifiable." Under this mandate, these measures would be applicable to the "whole of Europe"—as the West sees it—including the portion of the USSR west of the Urals.

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No agreement was reached at the CSCE meeting on whether there would be a second stage that would address actual disarmament measures. The first phase presumably is to last until the next full CSCE review meeting in Vienna in November 1986.

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Each participant has general aims for the conference at Stockholm, but most have not yet developed specific objectives. According to the US Mission to NATO, the Allies have been meeting at all levels since late August. At the meeting last week of the North Atlantic Council, they again failed to agree on agenda, procedure, or public diplomacy strategy for Helsinki.

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NATO representatives met yesterday to try to resolve at least some outstanding differences. They just began to debate the US package of confidence and security building measures they will offer at Stockholm.

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Reports of neutral and nonaligned discussions show a similar lack of progress.

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#### **USSR** and the East

Given the imminence of NATO INF deployments, Moscow will try to exploit the nominally procedural Helsinki Conference to influence West European public opinion on security issues.

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Soviet officials have told Western diplomats that Warsaw Pact initiatives contained in the Prague Communique of 5 January 1983—especially the proposal for a nonuse of force agreement with NATO—probably will be the basis of Eastern strategy in the European Disarmament Conference. The Prague initiatives included a proposal for the end of military alliances and a freeze on military budgets. In addition, Moscow might call for nondeployment of nuclear weapons on the territories of nonnuclear states.

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Swedish Embassy officials in Moscow report that the S to send a 40-man delegation to Helsinki—an unusually large for procedural talks. The chief negotiator will be Oleg Grind "ambassador-at-large" with experience in the SALT talks a sarms negotiations.	ge group evskiy, an	25X1
Grinevskiy's deputy will be Igor Andropov, the son of the leader. Other Soviet delegates have broad experience in SMBFR, and other East-West arms talks.	ne Soviet ALT,	25X1
Neutral and Nonaligned Nations		
The conference offers the neutral and nonaligned national offirst opportunity to participate in a major arms control for want to foster detente and to serve as mediators between West.	m. Most	25X1
Many of these countries see the wisdom of limiting the of to development of confidence and security building measurable also are drawn to Eastern declaratory measures—parthose that would limit nuclear weapons. Sweden, for example probably will push the idea of a Nordic nulcear-free zone.	res, but ticularly	25X1
In addition, pro-Arab Yugoslavia may support measure US use of European territory as a staging point for US troc movements toward the Middle East. Malta is likely to call for measures covering the Mediterranean.	q	25 <b>X</b> 1
Outlook		
Virtually all the Allied and neutral and nonaligned natio keep the Helsinki meeting as short as possible and confine procedural issues. Nonetheless, given the contending views participants on procedures and on the agenda, the preparaconference will not have an easy time finishing its business weeks. Moreover, the level of East-West polemics is likely that INF deployments approach and the Soviets threaten	it to s of the atory in three	25V4
countermeasures.		25 <b>X</b> 1
The size and composition of the Soviet delegation indic Moscow regards the Helsinki Conference as a valuable opp appeal to West European public opinion on security issues. Soviets and their allies probably will preview their substant positions for Stockholm and will lobby neutral and nonalign	ortunity to The ve	
other Western delegations to oppose US and NATO policie		25X1

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